

BURKE & PARSONS

Counselors at Law

100 Park Avenue

New York NY 10017-5533

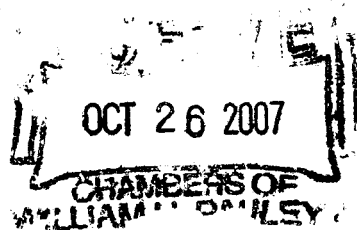
Tel +1 212 354 3800

Direct +1 212 354 3818

Fax +1 212 221 1432

walsh@burkeparsons.com

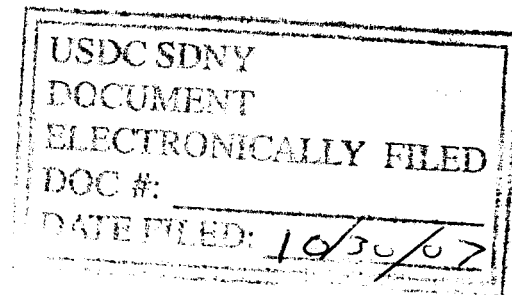
October 26, 2007



VIA FACSIMILE (3 Pages)
212 805 6390

Honorable William H. Pauley III
U.S. District Judge
U.S. Courthouse
500 Pearl Street
Room 1320
New York NY 10007

MEMO ENDORSED



Re: Dicalite Armenia, Inc. v Progress Bulk Carriers, Ltd.
07 CV 08660 (WHP)
Our Ref: 9028

Dear Judge Pauley:

We have just been retained as counsel for the defendant, Progress Bulk Carriers, Ltd. ("Progress Bulk"), in this matter. Plaintiff, Dicalite Armenia, Inc., has filed a Petition to Confirm Arbitration Award and has served, by means of an Amended Notice of Petition, a motion to confirm the award and enter judgment on it.

The attorney which represented Progress Bulk in the underlying arbitration proceeding was Jeffrey A. Weiss, Esq. Unfortunately, Mr. Weiss has a medical issue which may require surgery and he has been required to resign his representation of Progress Bulk and Progress Bank's protection and indemnity underwriter referred the matter to our firm this week. We have only obtained Mr. Weiss' file in this matter yesterday and thus have not had opportunity to review it. The file contains the submissions of the parties, the transcript of the proceedings, the award and associated correspondence, all of which will take some time to review, understand and assess.

Hon. William H. Pauley III

Page 2 of 3

October 26, 2007

From an affidavit of service on the docket sheet, it appears plaintiff may have personally served the Summons and Petition to Confirm on Progress Bulk on October 9, 2007. Assuming such service was effective, this would require an Answer from Progress Bulk within 20 days, or no later than October 29, 2007.

From the affirmation of service executed by Barry L. Katz, attorney for plaintiff, the Amended Notice of Petition, which set a return date on the motion of November 2, 2007, was served on Progress Bulk by mail. Under local Rule 6.1, reply papers to the motion would, therefore, be due, by our calculation, on October 30, 2007 (i.e., 10 business days permitted by Local Rule 6.1 plus 3 additional days for mail service).

The undersigned wrote and spoke with counsel for plaintiff, Mr. Katz, this morning to explain our recent retention and to request a reasonable extension of time to respond to plaintiff's Petition and motion. In our communications with Mr. Katz, we proposed that defendant's time to answer the Petition be extended from October 29 to Friday, November 9, 2007 and that the time to respond to plaintiff's motion to confirm be extended from October 30 to Friday, November 23, 2007.

Mr. Katz replied that, barring the posting of a bond for the full judgment, he was regretfully unable to consent to an extension of time in the circumstances of this case. Mr. Katz also expressed concern over the failure of Progress Bulk to pay arbitrators' fees but, of course, payment of these fees would be inconsistent with an effort by defendant to challenge the award. Mr. Katz advised that he would also oppose any request to the Court for an extension of time.

Given our recent retention as substituted counsel for Mr. Weiss, the complexity of the matter and the substantial materials to review, and pursuant to Rule 6(b) of the Federal Rules of Civil Procedure and Your Honor's Individual Practice Rules, we respectfully request an enlargement of Progress Bulk's time to serve its Answer to plaintiff's Petition to Confirm to and including November 9, 2007. We further request an enlargement of Progress Bulk's time to serve reply papers to plaintiff's motion to confirm the award and enter judgment on it to and including November 23, 2007.

This is Progress Bulk's first request for an enlargement of its time to answer. The Court has set the initial pretrial conference in this matter for November 30, 2007. We

Hon. William H. Pauley III

Page 3 of 3

October 26, 2007

are aware of no adverse impact or prejudice which could accrue to the plaintiff, or to the Court's pretrial schedule, by a grant of our request.

Respectfully submitted,

BURKE & PARSONS



Michael J. Walsh

\\MJWTP42\SC5_D\MJW\LETTER TO JUDGE PAULEY.DOC

cc: By First Class Mail &
By Telefax (610)-660-8817
Barry L. Katz Esq.
Attorney for Plaintiff Dicalite Armenia, Inc.

application granted.

SO ORDERED:



WILLIAM H. PAULEY III U.S.D.J.

10/29/07.